Title: Need to withdraw move for joint venture on Captive Power Plants of Steel Plants of Durgapur, Bhilai and Rourkela.

SHRI SUNIL KHAN (DURGAPUR): Sir, Captive Power Plants of Durgapur Steel Plant, Bhilai Steel Plant and Rourkela Steel Plant are going in for a joint venture. I strongly oppose the move.

The bitter past experience of the Steel workers is that almost all the integrated steel plants including IISCO were forced to install Captive Power Plant precisely because power generated by outside agencies was never distributed to steel plants on priority basis. A major share of Durgapur Steel Plant's accumulated loss can be traced back to Damodar Valley Corporation's inability to give Durgapur Steel Plant any priority.

For the full-fledged running of Durgapur Steel Plant and Alloy Steel Plant together, the maximum demand is 160 MW. Durgapur Steel Plant's demand is around 120 MW of which the average captive generation is 60-120 MW. Durgapur Steel Plant can draw a maximum of 80 MW from Damodar Valley Corporation. There is intermittent outflow of power due to load fluctuation of 1 MW on an average. Only for such intermittent export, it is not possible to get outside customer.

According to the statement of the Chairman, SAIL, they are going to sell per MW only at the rate of Rs. 60 lakhs to Enron whereas per MW installation charge is rupees four crore. Not only the Captive Power Plant generation cost is only 0.90 paise per unit but also the production is running full-fledge and if Enron takes over, the tariff will be Rs.3.90 per unit. Then the cost of production will be higher. As a result, the entire steel Industry of SAIL will be facing a disaster. In the case of Durgapur, the additional burden will be Rs.110 crore per year as per the D.V.C. rate.

Therefore, I earnestly request the Government to desist from taking such a suicidal step. Thank you.